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KENYAN STABILITY: IS THE SITUATION DETERIORATING?

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PREFACE

Since its independence from the United Kingdom in 1963, Kenya has been considered a stable country and a political and commercial friend of the West. In 1980 it became a military ally of the US when it agreed to host elements of the US Central Command, which has military support responsibility for Kenya. Yet, Kenya's reputation for political and economic stability is no longer unquestioned. Economic performance has been poor for the past 5 years, giving rise to the realization that the economy may not just be at a cyclical low point but may have fundamental, long-term problems. The reinstitution of political detentions without trial in 1982 by President Moi and the 1 August 1982 coup attempt by members of the Air Force also have brought the stability of the political system into question.

This paper analyzes the situation in Kenya to identify factors which are currently or potentially destabilizing to the Kenyan Government in general and to President Moi in particular. Factors working to preserve the status quo are also discussed.

Only open source literature was used in researching this paper. The most useful sources included Africa Economic Digest, Africa Now, Africa Research Bulletin, Africa South of the Sahara, Colin Leys' Underdevelopment in Kenya, and Weekly Review.

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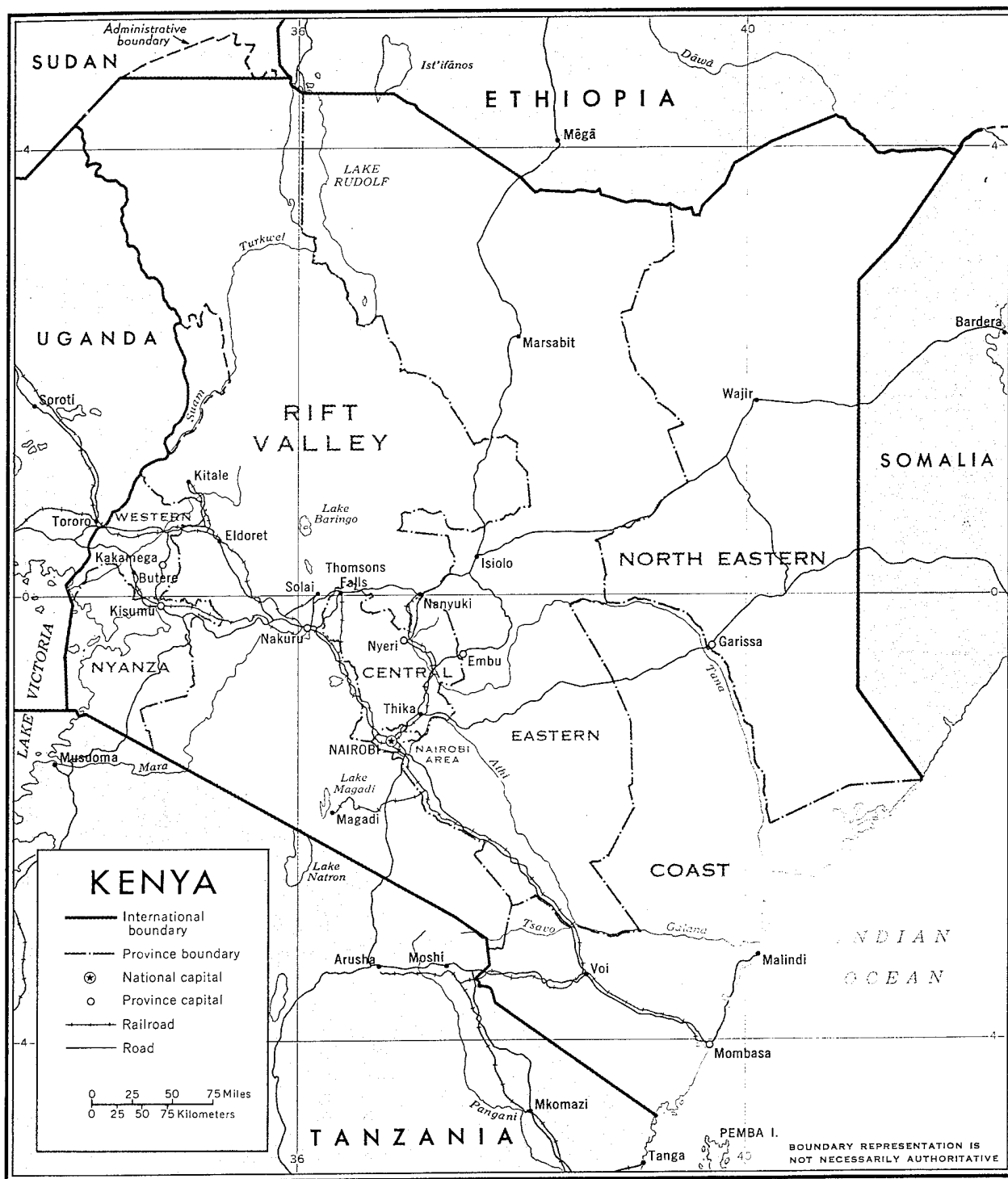
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SUMMARY

Kenya's economic problems will seriously affect the ability of President Moi to remain in power. Near term prospects for the economy are not favorable. Continuing economic stagnation and lower real incomes will increase criticism in the general population as well as among political leaders. The decline in the economic growth rate has been especially troublesome to Moi because it began at about the same time as his presidency and immediately following a 2-year economic boom. At present, the capitalist oriented economic system is not widely challenged, and if Moi were to be replaced his successor would face the same problems. In the long term, persistent, widespread poverty could lead to the rise of radical dissent by those believing the entire system needs to be changed. Furthermore, population pressures will continue to be a destabilizing factor in Kenya.

The President must constantly be alert to political maneuvering by those representing various ethnic groups and interests and politicians promoting their own advancement. To date Moi has proved to be adept at handling political opposition. Moi appeared to be isolated after the 1982 coup attempt, but he has since regained some lost prestige and power. During his 6 years as President he has managed to broaden his political position and neutralize important political rivals.



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Figure 1. Map of Kenya

KENYAN STABILITY: IS THE SITUATION DETERIORATING?

1. INTRODUCTION

The governments of Sub-Saharan African countries are plagued with a variety of serious problems which continually threaten their stability. In examining the situation in Kenya, economic, social, and domestic political factors emerge as the most significant concerns to stability. At present foreign military threats and regional problems are only minor considerations.

In the past, Kenya's economy was a stabilizing force. The prosperity Kenya enjoyed up until the late 1970s afforded the country a period with little social unrest and few internal threats to the government. This relatively trouble-free period after independence allowed the nascent government structures to become more firmly established than those of many other African countries. Moreover, Kenya's economic growth provided an opportunity for its political culture to grow and develop.

The downturn in Kenya's economy coincided to some extent with President Moi's accession to the presidency in 1978 and has made the task of consolidating his position more difficult. Although the change in the economy's performance under Moi to a large extent has been due to external factors beyond Kenya's control, it is inevitable that the economic hard times are being associated with Moi and his government. One of the most serious factors affecting Kenya's future stability is the country's 4.0 percent population growth rate, one of the world's highest. Although President Moi, several other high government officials, and foreign aid donors recognize that a reduction in the population growth rate is imperative, it remains to be seen if they will be able to influence the birth rate. The settlement of the long-standing disputes over division of the former East African Community's assets and liabilities in May 1984 has boosted Moi's image somewhat.

Social and political factors which have an impact on the government's stability are being intensified by the economic downturn. The large degree of social mobility possible during the first decade of independence has shrunk, dampening the aspirations of much of the population. The economic squeeze has increased criticism of Moi's government which is being accused of mismanagement, incompetence, and corruption. The ever present and complex political rivalries between various groups are another factor Moi must contend with to remain in power.

2. ECONOMIC FACTORS

Kenya's economic development since independence generally has been considered remarkable in the African context and frequently has been held up as a model of success in the Third World. The stability Kenya enjoyed in the 1960s and 1970s was closely linked to the economic expansion then taking place. Since 1979, the economy has been stagnant and the prospects for continued stability are decreasing. Under President Kenyatta's rule, 1963 through 1978, the growth in Kenya's Gross Domestic Product (GDP) averaged 6.5 percent a

year. The government was able to greatly expand its services, providing educational opportunities and health services to many for the first time and building a strong base of support among those who benefited. In 1979, Moi's first full year as President, the 4.2 percent increase in the GDP just barely exceeded the 4 percent population growth rate. Per capita GDP actually declined in 1980, 1982 and 1983, and estimates for 1984 indicate another decline.

Table 1	
Growth in Gross Domestic Product	
Year	Percent Increase
1963-1978 (average)	6.5 per year
1979	4.2
1980	3.3
1981	4.8
1982	3.4
1983	3.9

Social unrest and criticism of the government are increasing as a growing number of Kenyans are unable to meet their expectations. The declining standard of living is more intolerable since expectations were raised during the years of economic growth and those entering the job market today have fewer opportunities than the previous generation. Thus the economy's role in the stability equation is changing, with the economy now becoming a growing source of dissatisfaction among the population. Even during the years when Kenya could boast significant economic growth, many Kenyans did not see an improvement in their standard of living. The favorable reports on the economy usually quoted figures for aggregate measures, such as GDP. Such figures did not provide information on how the benefits of economic growth were distributed among the population. The distribution has been far from equitable.

The economic predictions for Kenya in 1984 were poor and the years ahead are bound to be difficult. The outlook in early 1984 improved briefly when there was a boom in tea prices, but this has been offset by a drought which has seriously reduced agricultural output. It is expected that regional trade will gradually improve as a result of the formal dissolution of the East African Community. An agreement on the division of assets and liabilities of the organization was signed by Kenya, Tanzania, and Uganda in May 1984, and the border between Kenya and Tanzania which had been closed since 1977 was reopened. Kenya's major economic problems are low world prices for its major exports, coffee and tea; bottlenecks in the agricultural sector; the rising costs of imports; and an industrial sector dependent on high-priced imports. The downturn in world trade resulting from global recession has exposed some fundamental structural problems in Kenya's economy. The steps which must be

taken to improve the long-term outlook will be painful and unpopular. Moreover, the vested interests of some of the most politically powerful people in the country will be affected by changes made to correct structural imbalances in the following economic sectors.

a. Agriculture

Agriculture has been the primary source of Kenya's prosperity and as such has been a source of stability. It accounts for 33 percent of the GDP and over 80 percent of the population is involved in agricultural activity. The country depends on agriculture to provide food, employment, and foreign exchange for industrial development. The rapid expansion of agriculture contributed to higher living standards for many Kenyans, but today the expansion of output is nearing its limit. Less than 20 percent of Kenya's land, most of which is already under intensive cultivation, is suitable for agriculture using currently available technology. Further, due to the high population growth rate, many farms have been subdivided to the point where further subdivision would result in a decline in output.

Kenya's economy is highly export oriented, a legacy established during colonial times. The main agricultural export products are coffee and tea (accounting for about 40 percent of export earnings), pyrethrum, sisal, meat, and hides. The foreign exchange earned from agricultural exports is crucial to other sectors of the economy. It finances the import of new machinery, spare parts, raw materials, and fuel needed by industry.

A large portion of the agricultural sector is also devoted to subsistence farming and food crop production. Kenya is able to produce most of its own food needs at present, though there are periodic shortages. However, it is unlikely that the growth in food production will be able to keep up with the population growth rate. In the future Kenya will have to import increasingly large quantities of food to feed its rapidly growing population. These imports will exacerbate the chronically poor balance of payments situation. Also, Kenya's crop storage capacity is insufficient for current needs. In years when Kenya produces a surplus of corn, it must be exported because of the lack of storage facilities.

Kenya's system for marketing agricultural products is a holdover of the monopolistic system created during colonial times. Parastatal, single-crop marketing boards and cooperatives are responsible for setting producer prices, purchasing the crops, and marketing them. The inefficiencies of these organizations are being increasingly blamed for bottlenecks in the agricultural sector. There have been serious management problems, particularly in setting producer prices and paying farmers in a timely manner for their crops. Some economists and many of the farmers believe the boards purchase the crops at artificially depressed prices in order to keep food prices low for the urban population. Farmers also complain that the poor management of these organizations hinders them from planting the amount and type of crops to correspond to demand. Producer prices are inappropriate and their announcement by the boards is not timed to relate to the planting cycle. Such uncertainties may be inducing farmers to turn from producing export crops to subsistence farming.

Another chronic problem for the agricultural sector is the wide fluctuation in world prices for Kenya's export crops. Certainly, the variety of export crops Kenya produces makes it less vulnerable than some other African countries which rely on revenues from a single export crop. Nonetheless, the world market prices for coffee and tea to a large extent determine whether the economy has a good or poor year. The Kenyan economy is also highly vulnerable to increases in the world market price for petroleum. The high cost of importing fuel significantly raises the costs of inputs for farmers.

A problem affecting agricultural production over which Kenya has no control is weather. Since only a small fraction of the land under cultivation is irrigated, agricultural output is directly related to the amount and timing of rainfall. The impact of the vagaries of the weather can be seen in the food shortages Kenya began experiencing in mid-1984. The long rains which normally occur from March to May failed. A bumper crop of corn, the major food crop, had been expected because of record plantings following an increase in corn prices. However, there was either no rain or insufficient rain in the main corn growing regions, and Kenya had to import an unprecedented quantity of food in 1984.

b. Industry

Kenya has the most highly developed industrial sector in East Africa. The large number of European settlers during colonial times created a relatively large market by African standards. Colonial policies also facilitated the sale of Kenyan products in Ugandan and Tanzanian markets. Until recently the government encouraged the development of import substitution industries. During the past several years emphasis has shifted to export-oriented industries. Major industries include food and drink processing, textiles and clothing, vehicle assembly, paper, and petroleum products. Manufacturing accounts for 13 percent of the GDP.

Industrial development is stagnant today, after having grown at an average annual rate of 9.5 percent between 1965 and 1979. The rising cost of imports has hit the industrial sector particularly hard. Much of Kenyan industry is dependent on imports of raw material, machinery, spare parts, and fuel. Some businesses depend on imports for as much as 60 percent of their input. Furthermore, about one-half of investment in the industrial sector is foreign owned. The remainder is owned by Kenyans of European and Asian descent, government groups, and a handful of African businessmen. Foreign investment in Kenya tends to be capital intensive rather than labor intensive. Consequently it does little to improve the employment situation or to broaden the Kenyan market by increasing the earning power of the population. To encourage foreign investment, Kenyan laws permit a high proportion of the profits earned by foreign-owned companies to leave the country.

The Asian population is particularly prominent in retail and manufacturing businesses. Their concentration in these fields is a legacy of restrictions placed on the business activities of Asians under British colonialism. While Asians make up less than 0.5 percent of the population, they reportedly produce 25 percent of the GDP and control more than 75 percent of retail trade. Efforts to Africanize the economy after independence proved particularly difficult in the case of Asian-owned businesses. These

businesses were mostly small, family-run establishments. Consequently, the placement of Africans into positions in Asian enterprises was more problematic than in the case of large-scale multinational corporations or in the civil service. Resentment of Asians is strong in the African population.

The Asian population is a source of stability in the Kenyan economy. Certainly a sudden exodus of the Asians would disrupt the economy, as there are not enough skilled Africans to replace them. The educational level of the Asians is high and a large portion of the country's management skills is found in the Asian population. However, as a result of the insecurity of their position in Kenya, some business practices of the Asians have a negative effect on the economy. Asians, who have substantial monetary savings, habitually transfer large portions of their savings abroad as a safety measure should they suddenly need to leave Kenya. Also, since the coup attempt, Asians generally have been restricting their Kenyan investments to short-term, high-profit ventures, a pattern which does not promote steady, long-term development.

Industry has been highly protected through tariffs and quotas since colonial times. This has allowed poor management and inefficiencies in business which a more competitive environment would keep in check. Current economic policy is taking steps to deal with this problem. According to policy announced in mid-1983, new industries initially will be given 8 years of protection--gradually reduced over that period--to provide an opportunity to become competitive.

c. Government's Role

Kenya's economic policy is oriented toward developing the economy along capitalist lines. Although private free enterprise is promoted, the government itself plays a significant role in all sectors of the economy. As in many developing countries, the government has taken on the role of entrepreneur, playing an important part in developing agricultural production and setting up industries.

The government is a participant in one form or another in more than 150 corporations and parastatal organizations, including statutory marketing boards for specific commodities; organizations that primarily function as businesses in agriculture, tourism, trade, transportation; and in banking and insurance. Government participation includes shareholding, budget grants and long-term loans, and the appointment of officers. The parastatal organizations are being criticized increasingly for having a detrimental effect on the economy, for being inefficiently run and prone to corruption, and for contributing to production instability and supply and demand distortions.

Because of the government's central role in the economy, it is naturally more susceptible to blame for economic problems than otherwise might be the case. The government is now committed to reducing its participation in corporations and marketing organizations, but a substantial and quick withdrawal is unlikely for several reasons: first, there is insufficient private capital to absorb the government's share; and second, political appointments to parastatals provide the President with an award system for his supporters.

Thus, it would be highly unlikely that President Moi could do away with this system without damaging his own position.

Furthermore, the government now is planning to shift economic planning from the central government to the districts. Guidelines published in August 1983 announced that after 20 years of central planning, the districts would be made the focus of development. The change is intended to distribute economic development more equitably, dispersing it away from Nairobi where it is currently concentrated. One unstated reason for this change may be to shift the blame for the inevitable economic hard times ahead away from the national government and the President.

Overall, Kenya's economic policies have been pragmatic. The policies have encouraged foreign private investment and Kenya has been successful in obtaining foreign aid. Current development planning recognizes the importance of making structural adjustments. The 1983/84 budget represented efforts to make these adjustments. Exports were promoted and steps were taken to reduce excessive protectionism. Import licensing was modified to ease the imports of needed raw materials and spare parts. Government expenditures were strictly controlled.

Kenya's economic management has improved during the past several years. The government has followed many of the reforms called for by the International Monetary Fund (IMF) and in World Bank structural adjustment programs since 1980. Export incentives have been improved, government spending contained, and the current account deficit reduced. During his budget presentation in June 1984 Finance Minister George Saitoti was able to point to a 7 percent reduction in the inflation rate during 1983, a balance of payments surplus for the first time since 1979, and the near doubling of foreign exchange reserves. But implementation of several structural adjustment measures has been slow. The National Cereals and Produce Board continues to have a monopoly of grain marketing, contrary to World Bank recommendations. The failure to implement parts of the World Bank's program is affecting Kenya's chances to negotiate a third structural adjustment loan from the World Bank.

Kenya's current economic policies should help to slow the economic downward slide. However, some development economists believe that the reforms required to receive such aid do not address the external causes of the economic problems but protect external trade at the expense of internal self-reliance. They contend that IMF loans and the conditions attached to them only lead to growing debt and dependency, providing no long-term solution to the problems. Yet Kenya, as other African countries, cannot obtain urgently needed capital to maintain production without complying with the conditions attached to such aid.

There have been some positive trends in the economy during the past year. The world economic outlook is improving, but there will be a lag before its effects are felt in Kenya. The trade deficit has been reduced slightly, the foreign exchange situation is improving, and tourist receipts have risen. If the government is successful in implementing the policies it has established and external factors affecting the economy are favorable, the future

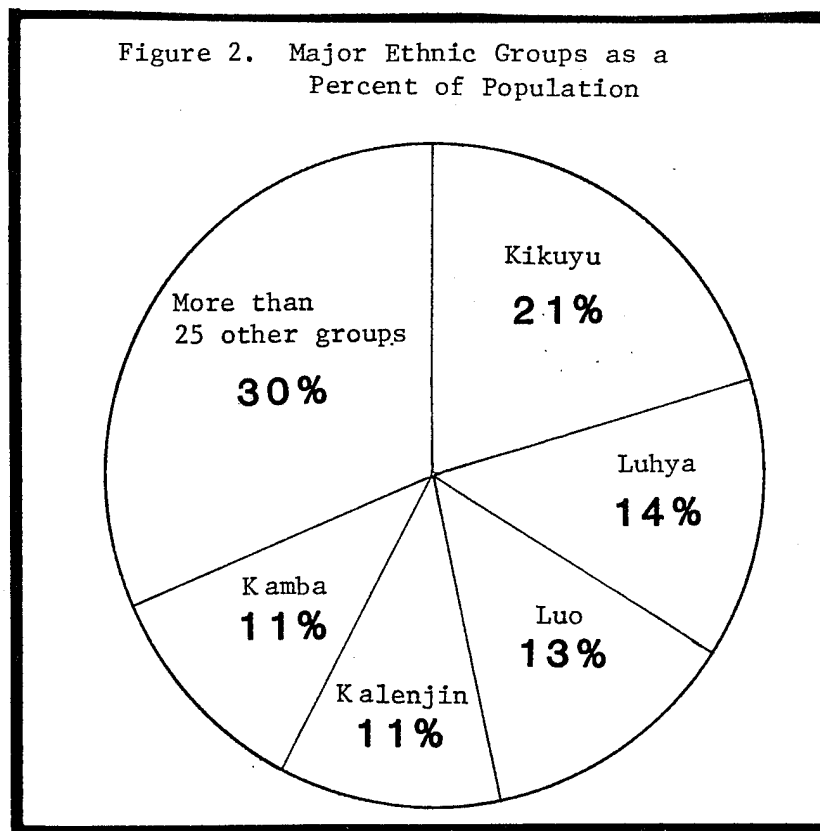
may be less grim than some predictions. However, improvement in economic performance which would give rise to a general improvement in living standards is an unlikely prospect for the short or medium term. Consequently, reaction by the general population to years of no discernable improvements in their living standards could become a threat to stability.

3. SOCIAL FACTORS

In Kenya, economic pressures tend to aggravate social problems. As in other African states, ethnicity and the question of tribal balance in government affairs is a major concern in Kenya. Kenya's past economic performance has resulted in clearly delineated classes, with wide disparities in class and income which may become even more pronounced with the anticipated economic downturn. Multiplying all of this is the world's highest population growth rate.

a. Ethnic Divisions

Kenya's population is divided into more than 30 ethnic groups and several of these groups consist of further subgroupings. The five largest groups constitute 70 percent of the total population. One of the most difficult tasks of Kenyan leaders is to maintain sufficient cohesion and balance competing interests between these groups to maintain a degree of political stability. The major ethnic groups which must be considered in this balancing act are:



(1) The Kikuyu

The Kikuyu are the largest ethnic group, making up 21 percent of the population. They have dominated the political and economic spheres since independence. Through their contact with British colonialism, they were the first Kenyans to be exposed to modern society. They were also the group to suffer most from the British colonial exploitation and thus were the first to become politicized and were at the forefront of the nationalist movement after World War II. The country's patriarch and first president, Jomo Kenyatta, was Kikuyu. Kikuyu are found in disproportionate numbers in high government positions, throughout the civil service, the officer corps, and in business.

Lack of unity among Kikuyu has kept them from extending their dominance further. They are divided along regional lines and between various interest groups, such as government technocrats, landless poor, the Kenyatta clique (consisting of Kenyatta's relatives and their wealthy associates), as well as between personal rivals (for example, between Charles Njonjo, formerly Constitutional Affairs Minister, and Vice President Mwai Kibaki).

(2) The Luhya

A collection of 16 subgroups making up 14 percent of the population, the Luhya constitute a large majority of the densely populated Western Province. They have been avid in educating their young and are beginning to threaten the educational predominance of the Kikuyu. Since Moi became President, Luhya influence in national politics has grown considerably and Luhya hold important civil service positions and are gaining ground in the Armed Forces.

(3) The Luo

The Luo live mainly in Nyanza Province and make up the next most prominent ethnic group with 13 percent of the population. Members of this group also live in Uganda and Tanzania. Luo are prominent in the civil service and have been the Kikuyus' greatest rivals for power. The Luo, along with Asians, have often been used as a scapegoat for Kenya's problems. For example, immediately following the 1982 coup attempt, much publicity was given to the fact that two of the leaders were Luo.

(4) The Kalenjin

The Kalenjin consist of related groups which live in noncontiguous areas in the central Rift Valley region. They constitute 11 percent of the population. President Moi is from the Tugen subgroup. The Kalenjin, along with the Kamba, have been dominant in the Army.

(5) The Kamba

Traditionally traders and craftsmen, the Kamba form 11 percent of the population. They have been dominant in the Army and police and are disproportionately represented among officers and recruits. This is a result of the colonial policies which favored recruiting among the Kamba and Kalenjin

for the King's African Rifles. The Kamba have formed political alliances with the Kikuyu in the past.

(6) The Masai

The nomadic pastoralist Masai, while making up less than 2 percent of the population, are an important group because their grazing lands contain some of the last uncultivated arable land. Increasing pressure to expand agriculture in this area may cause tensions in the future.

(7) Asians

Asians make up 0.5 percent of the population. While preeminent in Kenya's economy, they are insignificant in the political arena (at present there are no Asian members of Parliament). Most of the Asians are second or third generation descendants of immigrants.

(8) Coastal Groups

Residents of the Coast Province belong to a variety of different ethnic groups yet perceive themselves as a distinct group within Kenya. Because the cultural development along the coast, with its strong Arab influence, was distinct from that of the interior, coastal groups traditionally look down on Kenyans from the interior. Coastal groups comprise 15 percent of the population but are poorly represented in high government positions.

(9) Somalis

Ethnic Somalis, most of whom are pastoralists, live in the large and very sparsely populated North Eastern Province (NEP). Although constituting only 1 percent of the population, they are regarded as a security problem by the Kenyan Government because of their ties to Somalia. Somalia claims all Somali-inhabited territory and in the past has supported attempts by Somalis in the NEP to secede from Kenya. The Kenyan Government also has reason to fear that internal Somali problems (opposition to President Siad Barre) and the tensions between Ethiopia and Somalia could spill over into the NEP.

Clashes between Somali clans in the NEP over grazing areas and water holes have been common. The problem has been particularly severe during the past several years because of the current drought and because of the increased availability of modern rifles in the area following the Ogaden War of 1977 and 1978. Attempts to disarm the Somalis have been unsuccessful. In February 1984 Kenyan Government forces intervened to put down fighting between the Ajuran and Degodia clans in the Wajir area, killing several hundred Degodia. Eyewitness accounts that the government operation was a massacre of unarmed Degodia have revived allegations that the government treats the Somali population differently from other Kenyans.

b. Class Divisions and Income Disparities

The President must balance the competing demands and interests of the elite, middle class, and poor in order to avert tensions which could undermine Kenya's stability. The elite, a group of wealthy and generally well-educated

people, strongly influence the direction of government policy. As a group they tend to be staunchly pro-Western and pro-capitalist. Generally, they oppose economic and political reforms to alter the system which has served them so well. Within this group are competing factions: members of the Kikuyu "Kenyatta clique," Kikuyu technocrats, and non-Kikuyu.

The middle class tends to be strongly progovernment since its members acquired land or jobs after independence which allowed them to improve their living standard. They are, therefore, indebted to the government and the prevailing political and economic system. With the current economic downturn, however, they are becoming more vocal about corruption and mismanagement at the highest levels of government.

The poor are a potential source of instability to any government. Since they have benefited least from the sociopolitical system, they are more likely to be critical of it. Most of Kenya's poor are rural people who do not have their own land for farming and, because of the rapid growth in population, are not able to find jobs working on someone else's farm. Many are migrating to urban areas where the employment opportunities are not sufficient either. The urban poor tend to be more politicized than their rural counterparts.

Another new group of poor is developing in Kenya--those with an education but unable to find employment. This group is more politically aware than the rural poor and the rural migrants to cities, and poses a significantly greater threat to the government since it can better articulate its demands and criticisms. Kikuyu in this group likely are particularly disturbed by and resentful of President Moi's actions to trim Kikuyu power in government and Kikuyu educational opportunities. These Kikuyu could play a significant role in mobilizing Kikuyu opposition to Moi's government.

There are large income disparities among Kenyans which are determined by such factors as education and social connections as well as by geography. During the 1960s there was a high degree of social mobility. Usually education was the key to a well-paying job. Now that the number of educated job seekers far outnumbers positions available, this is no longer the case. During the early years of independence, distribution of land through settlement schemes gave the government the opportunity to redistribute wealth more equitably. This is no longer possible and the government is being viewed more as a supporter of the rich than an agent for social justice. Such perceptions will potentially increase hostility toward the government. The looting which took place in Nairobi in the wake of the 1982 coup attempt is a measure of the frustration felt by the urban poor. During the looting, wealth amounting to millions of dollars was physically transferred to the poorest neighborhoods in a matter of hours. The government has tried to reduce the disparities by means of the income tax, but this has had negligible effects in redistributing the nation's resources.

Kenya's wealth is also unequally divided between geographical areas. The government, for instance, has spent very little on schools, clinics, and infrastructure to benefit the Somali nomads of the North Eastern Province. Also, individual members of Parliament have been successful in providing funds and services for their constituencies while others have not. The unequal dis-

tribution of government funds naturally is resented by those who get the least. The government has recognized this problem and is attempting to ensure fairer distribution of government services and benefits.

c. Population Pressures

Kenya's 4.0 percent annual population growth rate, which is not expected to decline before 1989, is the source of many of its problems. Improved health conditions are resulting in a declining infant mortality rate and a higher life expectancy. The percentage of the population consisting of children and the aged is also increasing dramatically; as a result, each adult must support more people. With a stagnant economy and growing number of job seekers, the number of unemployed and underemployed is also increasing, contributing to a declining standard of living.

Although President Moi has stressed the need to reduce the population growth rate, he has not been able to change attitudes about birth control. The perception that a large family provides security is deeply rooted. Government attempts to introduce family planning are extremely unpopular and are regarded as an effort to manipulate the balance between ethnic groups. It appears unlikely that the government will be able to make significant progress in reducing the birth rate in the near future through voluntary birth control. The international community is trying to motivate the government to implement a birth control policy by linking aid to progress in this area. However, government imposed measures to reduce the birth rate would likely meet with widespread opposition and could be destabilizing in the near term.

Table 2

Population Increase

	Kenya (1979)	Africa average (1979)	World average (1979)	United States (April 1980)
Crude birth rate (per thousand population)	54	46	28	16
Crude death rate (per thousand population)	14	17	11	9
Rate of natural increase	4.0%	2.9%	1.7%	0.7%

(1) Changing Population Makeup

Kenya's population is doubling at the rate of once every 17 years. About half the population is under age 15, and the proportion of this segment is expected to increase until 1989. At the same time, the average life expectancy has increased. The growth in the number of people at either end of

the age scale has resulted in a dependency ratio* unprecedented elsewhere in the world. Since the dependent population is growing faster than the working age population, the burden on workers is increasing.

Kenya's high dependency ratio hampers economic development. The proportion of the population producing goods and services is declining, and as the dependent population increases, Kenya's capacity to save and invest will decline. The government is also unable to keep up with the population growth in providing services.

(2) Increasing Landlessness

More than 80 percent of Kenya's population is rural and engaged in agricultural activities. As the population increases, there will be an increasing number of people who will not own land. Kenya's arable land is already under intensive cultivation and most farms have been subdivided to the point where further subdivision is not practical. The scarcity of land will undoubtedly increase tensions and disputes over land and could revive tribal animosities. Kenya's capacity to feed itself will decline as the proportion of Kenyans producing their own food declines. Planners fear that there will be competition between land used for growing food and land devoted to export crops. As more rural people will not be able to own farms or work as farm laborers, they will begin migrating in large numbers to the cities, exacerbating urban problems.

(3) Unemployment

On an average, some 300,000 Kenyans reach working age each year against the prospects of less than 20,000 new job openings. The growing number of unemployed young people is an additional burden to those who do work and must provide for them. This situation sharply contrasts with the post-independence period when "Kenyanization" of industry, services, and the civil service provided excellent employment opportunities to those with secondary level educations. There is no prospect for significantly reducing unemployment, a problem which will clearly be a destabilizing factor for Kenya's government.

4. POLITICAL FACTORS

On 12 December 1983, Kenya celebrated the beginning of its third decade of independence. During the first 2 decades there had been no coup attempts against the government and the country escaped large-scale violence despite strong political and tribal rivalries. But Kenya's reputation as a politically stable country has been seriously tarnished by the 1 August 1982 coup attempt by members of the Air Force (although the attempt was quickly put down by the Army and General Service Unit of the Police). Immediately following the coup attempt, President Moi's position appeared to be in jeopardy; since then, however, he has stabilized his position. Moi faces political problems

*The population under 15 years of age and over 59 years of age divided by the population aged 15 to 59.

that have plagued Kenyan politicians since independence. Prominent political factors affecting stability include rivalry for power, particularly between different regional, ethnic, and class interests, as well as government corruption.

a. Moi's Presidency

Daniel arap Moi became President following the death in 1978 of Jomo Kenyatta who had been president during Kenya's first 15 years of independence. When Kenyatta's health began to deteriorate, maneuvering began among members of the "Kenyatta clique" to change the constitution to prevent then Vice President Moi from automatically succeeding Kenyatta in the event of his death in office. There was strong opposition to Moi's succession among powerful Kikuyus who wanted another Kikuyu president. Charles Njonjo, then Attorney General, managed to quash the "Change the Constitution Movement" and the transition to Moi's presidency proceeded relatively smoothly. Starting from a rather shaky position as a compromise candidate with few strong political allies, and as a member of the small Kalenjin ethnic group, Moi spent the first years of his presidency consolidating his position. Moi's ability to hold the government together was probably eased by the fact that Kenya had just experienced 2 years of exceptionally good rainfall. Since the economy had been doing so well, there was a strong incentive to avoid actions which might cause a political crisis and bring on chaos.

While having a rather lackluster personality, especially when compared to the charismatic Kenyatta, Moi has succeeded in gradually increasing his stature as President. His strongest asset has been his adeptness at playing tribal politics.

Moi moved skillfully to consolidate his power, and to gain the support of some of the most prominent Kikuyu leaders. He stressed the continuity of his government with Kenyatta's. Most of the cabinet ministers appointed by Kenyatta were retained. He produced the slogan nyayo, Swahili for footsteps, as a unifying concept to show that he was following in Kenyatta's footsteps. While building alliances with leaders of the smaller ethnic groups and working with Kikuyu leaders, Moi also took measures to gain popularity among the general population. Soon after becoming President, Moi released all political detainees. He also cracked down on corruption, dismissing several high-ranking government and police officials. This popular move was seen as a sign that Moi was going to halt the excesses of the elite which had been the order of the day during the Kenyatta era. Yet Moi's position is not so strong that he can move decisively to eliminate corruption; he depends too much on the very people who are the most corrupt and he cannot risk alienating them.

Public criticism of the President has grown as the economy has declined and it is now apparent that the campaign against corruption was short lived and mostly rhetorical. Moi has reacted strongly to what he perceives as an intolerable level of criticism of his government. In 1982 he ordered detention without trial for several political opponents. When Luo political leader Oginga Odinga allegedly advocated the establishment of a Socialist party in Kenya, he was immediately expelled from the Kenya African National Union (KANU), the de facto state party. The National Assembly then passed a law to make KANU the only legal political party in the country.

Criticism by some university students and lecturers in 1982 called into question Kenya's economic system and its relations with multinational corporations and Western governments. Moi felt particularly threatened by these notions, describing such opinions as treason and several university lecturers were detained. In mid-July 1982 criticism of the detentions was voiced in the staunchly progovernment newspaper Standard by its editor (a Njonjo protege).

b. The August 1982 Coup Attempt

On 1 August 1982 low-ranking members of the Kenya Air Force attempted to overthrow the government. The coup attempt was poorly organized and, with the exception of some university students, the civilian population was not involved. During the coup attempt, dozens of students joined the Air Force enlisted men to celebrate what they thought was the demise of Moi's government. As a result, Moi closed down the university for a year. The Army and General Service Unit (GSU) managed to put down the rebellion, at a cost of several hundred lives, and order was restored within a few days.

While the coup attempt appears to have been precipitated by Moi's growing intolerance of dissent, Moi has used the incident as an excuse for further actions against his opponents. In September 1984, 15 prominent members of KANU were expelled and KANU membership was made obligatory for civil servants. Moi has been anxious to give the impression to foreign observers that all is back to normal in Kenya and that the coup attempt has not lessened Kenya's stability. But the incident remains a fresh memory for Kenyans, partly as a result of the long and widely publicized legal proceedings against the coup plotters and participants. Hundreds of Air Force personnel were brought to trial in connection with the coup attempt. Then in May 1983, when the public had begun to lose interest in the Air Force courts martial, Moi claimed that Charles Njonjo was plotting to overthrow him. There were also allegations that Njonjo had planned to carry out a coup at about the same time as the one by members of the Air Force. A commission of inquiry to investigate these and other charges against Njonjo was set up, and its proceedings lasted 8 months, until August 1984. This investigation received full media coverage. The aborted coup has exacerbated Moi's fear and intolerance of any opposition.

c. Politics Since the Coup Attempt

Although the coup attempt was the most serious challenge to Moi's presidency to date, it was one further event in a series of confrontations between Moi and his critics. It did signal the advent of a new group of actors in Kenyan politics--radical junior officers and enlisted men.

The attempt showed that there is no well-organized opposition, but it also demonstrated that Moi has few friends who have the competency or loyalty to protect his position. While he has succeeded in neutralizing individuals and groups seeking to grab power, he does not appear to have been able to build a reliable circle of supporters. In the period following the coup attempt, Moi has again demonstrated an ability to deal with the intricacies of tribal and regional politics. Although economic problems will continue to plague Kenya and act to destabilize Moi's government, his position in regard

to political power playing now appears at least as solid as it was prior to the coup attempt.

(1) Moi Consolidates his Power and the Kikuyu Lose Influence

Until the coup attempt, Moi had shared power with Kikuyu leaders. The coup attempt came as a shock to Moi and forced him to reappraise his relations with other government members and leaders in the public sector. One result has been that he has gradually but systematically chipped away at the power of the Kikuyu. Prior to the coup attempt, Moi's control over the government was weakened by the many politicians who owed their allegiance first to groupings headed by Charles Njonjo, the Minister for Constitutional Affairs, and Mwai Kibaki, the Vice President. When Moi's demands that they should first owe their loyalty to him were ignored, he asserted himself. In a cabinet reshuffle in February 1982, Kibaki and Njonjo were demoted, Kibaki losing the Ministry of Finance and Njonjo the Home Affairs Ministry.

After the coup attempt Moi distanced himself from his closest political associates, even requiring cabinet ministers to make appointments to see him; they had previously been able to see him on a friendly, casual basis. During the summer of 1983 Moi removed Njonjo from power by insinuating that he, in collaboration with a foreign government, was plotting to take over power illegally. After weeks of hinting at but not naming the "traitor," members of Parliament began accusing Njonjo outright, but only when they were certain that Moi really did intend to remove the seemingly all-powerful, long-time presidential confidant.

Moi has gradually been strengthening a coalition with leading politicians from the smaller tribes, appointing them to positions previously occupied by Kikuyu. By calling elections more than a year early, Moi was also able to reduce the number of Kikuyu in the cabinet (where they were disproportionately represented) from seven to four.

Moi's moves against the Kikuyu have been gradual and deliberately executed so that no one action has been grave enough by itself to unite the Kikuyu to launch a concerted protest. (Non-Kikuyu of questionable loyalty or competence also have been removed from high positions.) Moi now appears to have finally succeeded in gaining enough control over the government so that he no longer has to answer to the Kikuyu elite. Yet the wealth of the Kikuyu and the country's dependence on the expertise of Kikuyu technocrats cannot be entirely ignored. The President must continue to be wary since over time they may succeed in uniting to regain their loss of power.

(2) The Elections

President Moi called for parliamentary elections in September 1983, 14 months ahead of schedule. He probably had several motives for advancing the date of the elections. He explained his move as an attempt to "clean the system"--to let Kenyan citizens remove from power those who were disloyal or who failed to carry out their duties. The elections were also an opportunity to consolidate his power. Since many government officials had been selected by Kenyatta or were Njonjo men, the elections allowed Moi to select his own cabinet and to remove some Kikuyus from high positions under

the pretext that it was the electorate's will, or the need for appointing "the best man for the job."

Another possible reason for the early election was the dismal forecast given in mid-1983 for Kenya's economy. Since another year of worsening economic conditions would likely erode Moi's popularity, he may have calculated that it would be easier for him and his supporters to be reelected in the next few months than in a year's time. It also prevented his opponents from having much time to organize their campaigns.

The election results were ambiguous and did not give Moi a clear-cut mandate. Voter turnout was considerably lower than in previous elections: 40 percent of registered voters compared with 68 percent in the previous election in 1979. The turnout was particularly low in Nairobi and Mombasa. Also, new voter registration during the drive prior to elections was extremely low; only about 10 percent of the number expected registered. About one-third of the incumbents were rejected by the electorate, and all but five of the former cabinet members were reelected. Njonjo proteges did fairly well, contrary to expectations, but supporters of the Luo firebrand Odinga did not do well. Overall, there were few allegations of ballot box tampering.

The new cabinet chosen by Moi after the elections was reduced from 23 to 21 members. The number of Kikuyus was reduced from seven to four, a bit more in line with their proportion in the general population. George Saitoti, one of the 12 members of Parliament appointed by the President, was chosen to be Minister of Finance. He has excellent credentials for the job and his appointment should please the World Bank, the IMF, and foreign aid donors. On the whole, the elections did not significantly change the character of Parliament. With the elections out of the way, Moi will have more time to devote his energies to handling economic problems. His recent cabinet appointments indicate his intention to address these problems.

5. MILITARY FACTORS

Kenya's Armed Forces are relatively small, professional, and for the most part have remained in the background of political affairs. However, the August 1982 coup attempt staged by members of the Kenya Air Force (KAF) brought the Armed Forces into the limelight. The KAF's attempt to overthrow the government was quickly crushed by the Army and the General Service Unit of the Police. The events of August 1982 demonstrated that the Armed Forces contain groups which must be considered threats to the government's security, as well as elements which can be counted on to support and defend the government.

a. The Coup Attempt

Prior to the coup attempt the composition of the Kenya Air Force differed from the Army in the higher educational level of its members. Most Air Force officers were university graduates, and most other members had secondary school educations. The high educational level of Air Force members and the links of many to the university explain why they were more politicized than those of the Army. Because of their high level of education and high expectations, KAF members were probably more prone to frustration and dissatisfaction with conditions in the military.

Over 1,000 KAF personnel were arrested after the coup attempt and most have been brought to trial, generally charged with sedition or treason. Following the coup attempt the KAF was disbanded and a new air force was organized, called the 82 Air Force, and made a branch of the Army. Subordination to the Army was probably resented by the remaining members of the KAF and in December 1983 the Air Force was made an independent service again.

The 1,800-strong General Service Unit (GSU) is dominated by Kikuyus. As a paramilitary branch of the Police, its primary function was riot control. It was built up as a crack military unit under Kenyatta as a counterweight to the Kamba- and Kalenjin-dominated Army. During the past 5 years the Kalenjin have gained ground in the Unit, slightly eroding its Kikuyu character. The GSU played a significant role in suppressing the coup attempt and could play a strong role in suppressing or supporting any future coup attempts.

President Moi is indebted to the Army for having kept him in power. In the months immediately following the coup attempt there were reports of officers working closely with Moi and being more visible at government functions throughout the country. Since then, the military appears to have resumed its historical philosophy of not becoming involved in politics. Moi is attempting to improve living conditions for those in the Armed Forces. He implemented a 30 percent pay increase for officers and a 15 percent raise for other ranks, which had been approved earlier. Furthermore, new barracks, family housing, and schools for military dependents are being built on bases. However, Moi is limited by budget constraints from providing further benefits which would help build his support in the Armed Forces.

b. Ethnic Overview

The ethnic composition of the Armed Forces is of interest since ethnic affiliation could determine which groups would likely support Moi in an attempt to oust him or which groups would support a Kikuyu-dominated attempt to gain power illegally. The officer corps is predominantly Kikuyu, particularly at the middle level. The Kikuyu are also well represented among the technicians. Kamba and Kalenjin dominate the very top military positions. It should be noted, however, that the ethnic balance in the Armed Forces has improved over the years and that this trend appears to be continuing. Table 3 below shows the ethnic composition of the senior officer corps.

<p>Table 3</p> <p><u>Ethnic Composition of Senior Officer Corps</u></p>		
Brigadiers and above	Colonels	Lieutenant Colonels
31% Kamba	33% Kikuyu	31% Kikuyu
25% Kikuyu	22% Luo	24% Kamba
19% Kalenjin	11% Kamba	10% Asian
	11% Kalenjin	8% Luhya
		6% Kalenjin

Class divisions and ethnic distinctions in the military have the potential of influencing individual members, units or branches of the Armed Forces to intervene in the country's politics. High-ranking officers are likely to be supportive of the government in the event of threats against it, although it is conceivable that senior officers would participate in or plan a coup in order to replace a leader they considered incompetent or to preempt a power grab by lower ranks. Although not necessarily loyal to a particular government leader, they can be counted on to defend the current sociopolitical system against any significant threats to change it.

An attempt by junior officers and enlisted men to effect a coup or push for radical changes cannot be ruled out if a sharp deterioration in the economic situation occurs or economic stagnation becomes entrenched. Poor economic performance could also provoke mutinous behavior on the part of the lower ranks, which might not bring about the government's downfall but would be destabilizing.

6. CONCLUSIONS

The opportunity for instability in Kenya will increase in the near term. Much depends on how the economy fares. President Moi appears willing to tackle difficult economic problems insofar as he can. Since Kenya's economy hinges partially on world market conditions and the weather, its future performance cannot be predicted with certainty. Even under the most favorable conditions, future economic growth is unlikely to reduce the ranks of unemployed significantly or overcome the myriad problems caused by the phenomenal population growth rate.

The rapidly increasing number of rural poor, many of whom will become the urban unemployed, will have a destabilizing effect on the government. The frustrations of the urban poor may lead to increased criminal activity and political agitation. An increasing number of educated, politically aware Kenyans will remain unemployed or underemployed, and they may begin to question the system.

The middle class will grow increasingly frustrated if the economic decline continues. At present, though disillusioned, this group still believes that the economic situation can improve without radical changes. Members of the middle class do not question the capitalist system and they realize they are much better off than people in neighboring countries. Thus they represent a stabilizing influence in Kenya.

President Moi stands a fair to good chance of completing his second 5-year term which began in September 1983. Should he be removed from office before then, the most likely causes would be a forced resignation, a coup by senior officers, or assassination. Moi could be forced to resign, possibly under pressure from a Kikuyu-dominated group, during a severe economic crisis, perhaps combined with a growing number of corruption scandals. A military takeover by senior officers or by radical elements in the Armed Forces does not appear to be a likely scenario at this time.

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